Amendment No. 15 to HB0194

<u>Turner M</u> Signature of Sponsor

AMEND Senate Bill No. 200*

House Bill No. 194

By adding the following as a new section:

SECTION ___. Tennessee Code Annotated, Title 50, Chapter 6, Part 1, is amended by adding the following as a new section:

50-6-1 .

- (a) It is the intent of the general assembly that the workers' compensation system ensures a fair, equitable, expeditious, and efficient administration of the workers' compensation law to ensure the health and safety of Tennessee workers and to decrease the cost of workers' compensation insurance premiums in Tennessee.
- (b) Beginning not later than July 1, 2014, a workers' compensation insurance issuer shall, with respect to each plan year, decrease workers' compensation insurance premiums for each policyholder under such coverage, on a pro rata basis, if the ratio of the amount of premium revenue expended by the issuer on payments for health care services, medical equipment and disability benefits associated with workers' compensation claims to the total amount of premium revenue, excluding state and federal taxes and licensing or regulatory fees, for the plan year is less than eighty percent (80%).
- (c) The total amount of the insurance premium decrease required under this section shall be in an amount equal to the product of:

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- (1) The amount by which the percentage described in subsection (b) exceeds the ratio described in subsection (b); and
- (2) The total amount of premium revenue, excluding state and federal taxes and licensing or regulatory fees, for such plan year.